# Office of Health Care Access
# Certificate of Need Application

# Final Decision

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| **Applicants:** | **Greenwich Hospital and Greenwich Ambulatory Surgery Center, LLC** |
| **Docket Number:** | **06-30813-CON** |
| **Project Title:** | **Establish and Operate an Ambulatory Surgery Center in Greenwich** |
| **Statutory Reference:** | **Sections 19a-638 and 19a-639, Connecticut General Statutes** |
| **Filing Date:** | **October 29, 2007** |
| **Decision Date:** | **January 31, 2008** |
| **Default Date:** | **February 11, 2008 (15-day extension)** |
| **Staff Assigned:** | **Laurie K. Greci** |

**Project Description:** Greenwich Hospital and Greenwich Ambulatory Surgery Center, LLC propose to establish and operate an ambulatory surgery center at 55 Holly Hill Lane, Greenwich, Connecticut, at a total capital expenditure of $8,552,992.

**Nature of Proceeding:** On October 29, 2007, the Office of Health Care Access ("OHCA") received the Certificate of Need ("CON") application of Greenwich Hospital and Greenwich Ambulatory Surgery Center, LLC to establish and operate an ambulatory surgery center at 55 Holly Hill Lane, Greenwich, Connecticut, at a total capital expenditure of $8,552,992. The Applicants are health care facilities or institutions as defined by Section 19a-630, of the Connecticut General Statutes ("C.G.S.").

Pursuant to Sections 19a-638 and 19a-639, C.G.S., a notice to the public concerning OHCA's receipt of the Applicants' Letter of Intent was published in *The Greenwich Times* on August 10, 2006. Pursuant to Sections 19a-638 and 19a-639, three individuals or an individual representing an entity with five or more people had until November 19, 2007, the twenty-first calendar day following the filing of the Applicants' CON application, to request that OHCA hold a public hearing on the Applicants' proposal. OHCA received no hearing requests from the public.

OHCA's authority to review and approve, modify or deny this application is established by Sections 19a-638 and 19a-639, 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

**Clear Public Need**
**Contribution of the Proposal to the Quality and Accessibility of Health Care Delivery in the Region**
**Impact on the Applicants' Current Utilization Statistics**

1. Greenwich Hospital ("Hospital") is an acute-care hospital located at 5 Perryridge Road, Greenwich. *(January 2, 2007, Initial CON Submission, page 243)*

2. Greenwich Ambulatory Surgery Center, LLC ("GASC") is a Connecticut limited liability company established by the Hospital as a joint venture with its physicians for the operation of an ambulatory surgery center. *(January 2, 2007, Initial CON Submission, pages 5 and 249)*

3. Greenwich Health Services, Inc. ("GHSI") is a for-profit affiliate of Greenwich Hospital and owns a 25.5% interest in GASC. Greenwich Health Care Services, Inc. ("GHCS") is the parent company of GHSI. *(January 2, 2007, Initial CON Submission, pages 9 and 249)*

4. Constitution Surgery Centers ("CSC") is a for-profit limited liability company that provides management services for ambulatory surgery centers. *(October 29, 2007, Second Completeness Response, page 3)*

5. The Hospital and GASC ("Applicants") propose to establish a multi-specialty freestanding ambulatory surgery center ("Center") at 55 Holly Hill Lane in Greenwich. It will be established within a medical building owned by Perryridge Corporation, a subsidiary of GHCS. The building currently houses several physician practices and hospital outpatient services. *(January 2, 2007, Initial CON Submission, pages 2 and 11)*

6. The Hospital will provide services at the Center on the days of the week (initially four days per week) during which the GASC is not utilizing the Center (this is sometimes

referred to as the "Hospital ASC") to accommodate the needs of its outpatient population, freeing up operating room time at the main campus. *(August 22, 2007, First Completeness Response, page 7)*

7. The GASC (sometimes referred to as the "JV ASC"), a partly physician owned entity, will lease the physical facility from the Greenwich Hospital and provide services to patients on an exclusive basis initially one day of the week. GHSI, which is a stock corporation in the Hospital System, will be a partial owner of the GASC. (*August 22, 2007, First Completeness Response, page 7*)

8. The Operating Agreement for the GASC identifies the following member types of the GASC:

**Table 1: Member Types of the GASC**

| Member | Class | Ownership Percentage |
|---|---|---|
| Physician-Members or Newco, LLC | A | 59.5% |
| Greenwich Health Services, Inc. | B | 25.5% |
| Constitution Surgery Centers, LLC | C | 15.0% |

*(October 29, 2007, Second Completeness Response, page 75)*

9. To be admitted as a Class A member to the GASC, a physician-member will have to be a physician that is in a position to refer patients directly to the Center and perform procedures at the Center or be a group practice or an investment entity formed for the purpose of investing in the GASC and meets the requirements of a physician-member. In addition, at least one-third of the physician's or group practice's medical practice income must have been derived from the performance of procedures on the list of Medicare-covered procedures for ambulatory surgical centers and at least one-third of the procedures performed were performed at the Center. *(October 29, 2007, Second Completeness Response, page 68)*

10. The Hospital ASC will be operated as a hospital outpatient department. The Hospital ASC will be accredited by Joint Commission on the Accreditation of Healthcare Organizations. Once the parties have finalized the terms of physician investment in the GASC, the GASC will seek accreditation by the Accreditation Association for Ambulatory Health Care. *(January 2, 2007, Initial CON Submission, page 5)*

11. As discussed above, there will be two licensed entities providing services to patients at the proposed site: the GASC and the Hospital ASC. These two entities will have entirely separate revenues; cost will be shared between them where appropriate or incurred separately depending upon the nature of the expense. (*August 22, 2007, First Completeness Response, page 10*)

12. Greenwich Hospital will create a new ASC cost center in connection with its operation of the facility. No new Hospital cost center will be established in connection with the operation of the facility by the GASC or other LLCs. (*January 2, 2007, Initial CON submission, page 12*)

13. The Hospital will bill for services performed during its operation of the facility. GASC will bill for services performed on the initial one day per week it operates the facility. (*January 2, 2007, Initial CON submission, page 13*)

14. Two physicians, Suresh Mandava, MD, and Gina Gladstein, MD, both attending ophthalmologists at the Hospital, have been identified as being future physician partners in the GASC, LLC. (*August 22, 2007, First Completeness Response, pages 9 and 155 and www.greenhosp.org/physicians/index.asp)*

15. Dr. Mandava will serve as the Medical Director of the GASC during the times when that entity controls the facility initially one day per week. At other times, when the facility is serving as an Outpatient Department of the Hospital, Medical Directorship will be provided by the Hospital. (*August 22, 2007, First Completeness Response, p. 11*)

16. The proposed hours of operation for the Center will be Monday through Friday from 7:00 a.m. to 3:30 p.m. *(January 2, 2007, Initial CON Submission, page 28)*

17. CSC will provide management services for the GASC initially one day per week. CSC will be responsible for the adequate staffing of the GASC, including technical clinical personnel and appropriate administrative, clerical, and other non-clinical personnel. All staff will be employees of CSC. CSC will also select an On-site Administrator whose employment will be subject to approval by the GASC. *(October 29, 2007, Second Completeness Response, pages 4 to 6)*

18. The Applicants stated that the proposal is to address the current lack of capacity for the Hospital's ambulatory surgical services. *(January 2, 2007, Initial CON Submission, page 17)*

19. The Hospital currently has six main operating rooms and three procedure rooms. In 2004, a major reorganization of the operating rooms policies and procedures was conducted in order to increase efficiencies. *(January 2, 2007, Initial CON Submission, page 25)*

20. The Hospital's operating rooms are in operation Monday through Friday from 7:00 a.m. to 7:00 p.m. and Saturday from 7:00 a.m. to 12:00 p.m. for non-emergency surgeries. The operating rooms are available 24 hours per day 7 days per week for emergency surgeries. *(January 2, 2007, Initial CON Submission, page 26)*

21. Of the 27 physicians who began performing operations at the Hospital in either Fiscal Year ("FY") 2006 or FY 2007, 15 physicians or 56% perform mainly inpatient surgeries, placing an additional capacity burden on the operating rooms. *(January 2, 2007, Initial CON Submission, page 27)*

22. The Hospital cannot offer additional block times to any physician, either those currently on the Hospital's medical staff or those seeking to join the Hospital's medical staff. *(January 2, 2007, Initial CON Submission, page 27)*

23. To increase operating room capacity on its campus, the Hospital would need to construct new operating rooms as well as additional recovery rooms. Additional parking would also be needed. The Hospital is limited in its physical space and would need to relocate hospital departments offsite to accommodate additional operating room space. *(August 22, 2007, First Completeness Response, page 6)*

24. The Hospital reported that the annual surgical capacity at the Hospital is 1,200 cases per operating room and 900 cases per procedure room. The Hospital utilized information from the American Hospital Association's Annual Hospital Survey that reported the average number of operations per operating room to be 813 operations with an operating capacity of 67%. The total annual capacity of a hospital-based operating room is 1,213 operations per year. *(August 22, 2007, First Completeness Response, pages 5 and 35)*

25. The Hospital estimated that the capacity of each operating room at the Center will be 1,500 operations per room. The Hospital utilized information provided by the Medical Group Management Association's 2006 ASC Performance Survey that reported the average number of operations per room, using the generally accepted operating capacity of 75%, is 1,120 operations per year. The total annual capacity of an operating room in a multi-specialty ambulatory surgery center is 1,494 operations[1]. *(August 22, 2007, First Completeness Response, page 35)*

26. The following table reports the Hospital's historical surgical volumes by type of surgery utilizing six operating rooms and three procedure rooms. The table does not include gastroenterological procedures.

**Table 3: Historical Surgical Volumes**

| | FY 2004 | FY 2005 | FY 2006 |
|---|---|---|---|
| Number of Inpatient Surgeries | 2,212 | 2,332 | 2,567 |
| Number of Outpatient Surgeries | 5,954 | 5,930 | 6,180 |
| **Total Number of Surgeries** | **8,166** | **8,262** | **8,747** |
| Percent Inpatient Surgeries | 27.1% | 28.2% | 29.3% |
| Percent Outpatient Surgeries | 72.9% | 71.8% | 70.7% |

*(August 22, 2007, First Completeness Response, page 23)*

[1] The MGMA Survey does not differentiate between operating rooms and procedure rooms. The volumes of the two types of rooms have been combined.

27. The following table reports the historical volumes for orthopedic, ophthalmologic, and other outpatient procedures:

**Table 4: Historical Volumes for Outpatient Orthopedic, Ophthalmologic, and Other Outpatient Procedures at the Hospital**

| Procedure Type | FY 2004 | FY 2005 | FY 2006 | FY 2007* |
|---|---|---|---|---|
| Orthopedic | 1,158 | 1,167 | 1,335 | 1,366 |
| Ophthalmologic | 749 | 701 | 655 | 683 |
| **Subtotal** | **1,907** | **1,868** | **1,890** | **2,049** |
| Other** | 3,839 | 3,880 | 4,139 | 4,161 |
| **Grand Total** | **5,746** | **5,748** | **6,029** | **6,210** |

* Estimated.

** Includes procedures mainly in the specialties of gynecology/obstetrics, urology, oral, otolaryngology, plastic, and general surgery.

*(January 2, 2007, Initial CON Submission, pages 9, 44, and Attachment 2)*

28. The Applicants expect that the majority of services to be provided at the Center will be orthopedic and/or ophthalmologic services. The projected numbers of procedures to be performed in the proposed four operating rooms in the first three years at the Center are given in the following table.

**Table 5: Projected Number of Procedures for the Hospital ASC and the GASC**

| Provider | Surgical Service | Number of Procedures* by Fiscal Year | | |
|---|---|---|---|---|
| | | FY 2008 | FY 2009 | FY 2010 |
| Hospital ASC | Orthopedic | 1,370 | 1,411 | 1,454 |
| | Other | 659 | 679 | 699 |
| **Hospital ASC Total** | | **2,029** | **2,090** | **2,153** |
| GASC** | Ophthalmologic | 685 | 706 | 727 |
| **GASC Total** | | **685** | **706** | **727** |

* Based on a projected 3% increase in growth rate.

** The Hospital ASC proposes the majority of outpatient surgical procedures to be orthopedic. GASC will utilize the proposed facility initially one day per week; See Findings of Fact 7 and 13.

*(August 22, 2007, First Completeness Response, page 48)*

29. The following table reports the expected impact on the Hospital's surgical volumes without and with the establishment of the Center:

**Table 6: Projected Surgical Volumes at the Hospital**

| Surgical Type | Projected Surgical Volumes and Percentages by Fiscal Year | | | |
|---|---|---|---|---|
| | 2007 | 2008 | 2009 | 2010 |
| ***Without the Proposal:*** | | | | |
| Inpatient | 2,657 (29.4%) | 2,750 (29.5%) | 2,846 (29.6%) | 2,945 (29.7%) |
| Outpatient | 6,365 (70.6%) | 6,365 (70.5%) | 6,753 (70.4%) | 6,956 (70.3%) |
| **Total** | **9,022** (100%) | **9,936** (100%) | **9,599** (100%) | **9,901** (100%) |
| ***With the Proposal:*** | | | | |
| Inpatient | 2,657 (29.4%) | 2,750 (41.7%) | 2,846 (41.8%) | 2,946 (42.0%) |
| Outpatient | 6,365 (70.6%) | 3,842 (58.3%) | 3,957 (58.2%) | 4,076 (58.0%) |
| **Total** | **9,022** (100%) | **6,592** (100%) | **6,803** (100%) | **7,022** (100%) |

*(August 22, 2007, First Completeness Response, pages 46 and 54)*

30. The following table summarizes the total surgical volume projected for the Hospital and the Center:

**Table 7: Total Surgical Volume at the Hospital and at the Center**

| Location and Type | Projected Surgical Volume | | | |
|---|---|---|---|---|
| | FY 2007 | FY 2008 | FY 2009 | FY 2010 |
| Hospital, Inpatient | 2,657 | 2,750 | 2,846 | 2,946 |
| Hospital, Outpatient | 6,365 | 3,842 | 3,957 | 4,076 |
| Hospital ASC, Outpatient | 0 | 2,029 | 2,090 | 2,153 |
| **Both Locations, Total** | **9,022** | **8,621** | **8,893** | **9,175** |

*(August 22, 2007, First Completeness Response, page 56)*

31. The Hospital calculated the following utilization rates for the Hospital's operating rooms with and without the proposal, based on 6 operating rooms and 3 procedures:

**Table 8: The Hospital's Projected Operating Room Utilization Rates**

| | Projected Operating Room Utilization Rates | | | |
|---|---|---|---|---|
| | FY 2007 | FY 2008 | FY 2009 | FY 2010 |
| ***Without the Proposal:*** | | | | |
| Total Surgical Volume | 9,022 | 9,306 | 9,599 | 9,901 |
| Total Capacity* | 9,900 | 9,900 | 9,900 | 9,900 |
| **Utilization (Volume/Capacity *100)** | **91.1%** | **94.0%** | **97.0%** | **100%** |
| ***With the Proposal:*** | | | | |
| Total Surgical Volume | 9,022 | 6,592 | 6,803 | 7,022 |
| Total Capacity* | 9,900 | 9,900 | 9,900 | 9,900 |
| **Utilization (Volume/Capacity *100)** | **91.1%** | **66.6%** | **68.7%** | **70.9%** |

* Based on 1,200 procedures per operating room and 900 per procedure room.
*(August 22, 2007, First Completeness Response, pages 46 and 54)*

32. The Hospital projected the following utilization rates for the Hospital ASC and the GASC based on four operating rooms with a capacity of 1,500 procedures per room per year:

**Table 9: Projected Operating Room Utilization Rates for the Hospital ASC and GASC**

| | Projected Operating Room Utilization Rates | | |
|---|---|---|---|
| | **FY 2008** | **FY 2009** | **FY 2010** |
| Hospital ASC – Orthopedic Volume | 1,370 | 1,411 | 1,454 |
| Hospital ASC – Other Procedure Volume | 659 | 679 | 699 |
| GASC – Ophthalmologic Volume | 685 | 706 | 727 |
| **Total Surgical Volume** | **2,714** | **2,796** | **2,880** |
| Total Capacity (1,500 * 4) | 6,000 | 6,000 | 6,000 |
| **Utilization (Volume/Capacity * 100)** | **45.2%** | **46.6%** | **48.0%** |

*(August 22, 2007, First Completeness Response, page 52)*

33. The Applicants have not finalized the financial terms of the License Agreement by which the GASC will license the space, equipment and other items from the Hospital.

**Financial Feasibility of the Proposal and its Impact on the Applicants' Rates and Financial Condition**
**Rates Sufficient to Cover Proposed Capital and Operating Costs**
**Impact of the Proposal on the Interests of Consumers of Health Care Services and Payers for Such Services**
**Consideration of Other 19a-637, C.G.S. Principles and Guidelines**

34. The proposal has the following major expenditure components:

**Table 10: Major Cost Components**

| | |
|---|---|
| Major Medical Equipment (purchase) | $2,160,378 |
| Non-medical Equipment (purchase) | 230,114 |
| Construction/Renovation | 4,750,500 |
| Working Capital | 1,412,000 |
| **Total Capital Expenditure** | **$8,552,992** |

*(August 22, 2007, First Completeness Response, page 2)*

35. The construction expenditure consists of the following components:

**Table 11: Construction Cost Components**

| | |
|---|---|
| Building Work (fit-out of existing space) | $3,850,000 |
| Architecture and Engineering | 385,000 |
| Contingency Allowance | 400,000 |
| Inflation Adjustment Allowance | 115,500 |
| **Total Capital Expenditure for Construction** | **$4,750,500** |

*(August 22, 2007, First Completeness Response, page 3)*

36. The Applicants propose that the Center will occupy approximately 12,000 square feet of space, have four operating rooms, and pre- and post-procedure areas. Pre-admission services as well as laboratory work solely to support the operations of the Center will be offered on-site. *(August 4, 2006, Letter of Intent, page 12 )*

37. The Hospital proposes to finance the project with the Hospital's equity from contributions. *(January 2, 2007, Initial CON Submission, page 15)*

38. The Applicants project the following revenues and expenses with the proposal for its first three years of operations. The projections, based on the total procedure volume to be performed by the Hospital ASC and GASC, LLC, at the Center are presented in the following table:

39. The Hospital is projecting the following revenues and expenses with the operation of the Hospital ASC four days a week for FYs 2008, 2009, and 2010:

**Table 12: The Hospital's Projected Revenues and Expenses**

| **Projected:** | **FY 2008** | **FY 2009** | **FY 2010** |
|---|---|---|---|
| Total Net Patient Revenue | $251,693,000 | $263,077,000 | $274,517,000 |
| Operating Expenses | | | |
| Salaries and Fringe Benefits | 147,612,000 | 154,698,000 | 161,850,000 |
| Professional/Contracted Services | 28,250,000 | 29,481,000 | 30,771,000 |
| Supplies and Drugs | 33,978,000 | 36,182,000 | 38,472,000 |
| Other | 21,037,000 | 20,808,000 | 16,246,000 |
| Bad Debts | 8,532,000 | 9,252,000 | 10,002,000 |
| Depreciation/Amortization | 3,147,000 | 3,254,000 | 6,680,000 |
| Total Operating Expenses | 262,630,000 | 273,707,000 | 283,987,000 |
| **Gain from Hospital Operations** | **1,942,000** | **2,456,000** | **2,791,000** |
| **Gain from Center Operations** | **$ 2,148,000** | **$ 2,274,000** | **$ 2,404,000** |
| **Change in Procedure Volume** | **(1,823)** | **(1,612)** | **(1,394)** |

40. The GASC is projecting the following revenue and expenses with the operation of GASC one day a week for FYS 2008, 2009, and 2010:

**Table 13: The GASC Projected Revenues and Expenses**

| **Projected:** | **FY 2008** | **FY 2009** | **FY 2010** |
|---|---|---|---|
| Revenue from Operations | $1,408,000 | $1,451,000 | $1494,000 |
| Operating Expenses | | | |
| Salaries and Fringe Benefits | 304,000 | 306,000 | 307,000 |
| Professional/Contracted Services | 167,000 | 169,000 | 170,000 |
| Supplies and Drugs | 137,000 | 141,000 | 145,000 |
| Other | 254,000 | 254,000 | 254,000 |
| Depreciation/Amortization | 92,000 | 92,000 | 92,000 |
| Total Operating Expense | 954,000 | 961,000 | 968,000 |
| **Gain from Operations** | **$453,000** | **$490,000** | **$526,000** |

*(August 22, 2007, First Completeness Response, page 137)*

41. The following current payer mix reflects the volume and payer mix for the outpatient ambulatory surgery volumes performed at the Hospital in FY 2006; gastroenterological procedures are not included. The Hospital expects that the Center will have the same payer mix.

**Table 14: Current and Projected Payer Mix**

| | Payer Percent (%) | | | |
|---|---|---|---|---|
| **Payer** | **Current** | **FY 2008** | **FY 2009** | **FY 2010** |
| Medicare | 24 | 24 | 24 | 24 |
| Medicaid | 1 | 1 | 1 | 1 |
| TriCare (CHAMPUS) | 0 | 0 | 0 | 0 |
| **Total Government** | **25** | **25** | **25** | **25** |
| Commercial Insurers | 66.5 | 66.5 | 66.5 | 66.5 |
| Uninsured | 2.5 | 2.5 | 2.5 | 2.5 |
| Workers Compensation | 6 | 6 | 6 | 6 |
| **Total Non-Government** | **75** | **75** | **75** | **75** |
| **Total Payer Mix** | **100** | **100** | **100** | **100** |

*(January 2, 2007, Initial CON Submission, pages 16 and 17)*

42. The Hospital is a tax-exempt entity; the GASC and its members are not tax-exempt entities. *(January 2, 2007, Initial CON Submission, page 17)*

43. The Operating Agreement for the GASC states that the "acts, activities, and business carried on by the Company [GASC] will be consistent with the tax-exempt status of Greenwich Health Care Services, Inc." *(January 2, 2007, Initial CON Submission, page 249)*

44. The Hospital's Medicare provider number will be used in connection with the Hospital's operation of the Hospital ASC as a hospital outpatient department. GASC will need to apply for its own new Medicare provider number. *(January 2, 2007, Initial CON Submission, page 12)*

45. There is no State Health Plan in existence at this time. *(January 2, 2007, Initial CON Submission, page 2)*

46. The Hospital adduced evidence that this proposal is consistent with its long-range plans. *(January 2, 2007, Initial CON Submission, page 2)*

47. The Hospital stated that it has undertaken energy conservation, group purchasing, and the application of technology to improve productivity and contain costs. *(January 2, 2007, Initial CON Submission, page 10)*

48. The Hospital's teaching and research responsibilities will be not changed by implementation of the proposal. *(January 2, 2007, Initial CON Submission, page 10)*

49. There are no distinguishing characteristics of the Hospital's or GASC's patient/physician mix. *(January 2, 2007, Initial CON Submission, page 11)*

50. The Hospital and the GASC has provided evidence that it has technical, financial, and managerial competence. *(January 2, 2007, Initial CON Submission, Exhibit 5)*

51. The Center rates are sufficient to cover the proposed capital and operating costs associated with the proposal. *(January 2, 2007, Initial CON Submission, page 336)*

# Rationale

The Office of Health Care Access ("OHCA") approaches community and regional need for Certificate of Need ("CON") proposals on a case-by-case basis. CON applications do not lend themselves to general applicability due to a variety of factors that may affect any given proposal; e.g., the characteristics of the population to be served, the nature of the existing services, the specific types of services proposed to be offered, the current utilization of services and the financial feasibility of the proposal.

Greenwich Hospital ("Hospital") and Greenwich Ambulatory Surgery Center, LLC ("GASC") are proposing to establish and operate a four (4) operating room, multi-specialty freestanding ambulatory surgery center ("Center") at 55 Holly Hill Lane, Greenwich, Connecticut at a total capital expenditure of $8,552,992. The proposed location of the Center is owned by a subsidiary of Greenwich Health Care Services[2] ("GHCS") and currently houses several physician practices and outpatient services of the Hospital.

The Hospital has six operating rooms and three procedure rooms. In 2004, a major reorganization of the operating rooms policies and procedures was conducted in order to increase efficiencies. Of the 27 physicians who began performing operations at the Hospital in either Fiscal Year ("FY") 2006 or FY 2007, 15 physicians or 56% perform mainly inpatient surgeries, placing an additional capacity burden on the operating rooms. Currently, the Hospital's operating rooms are operating at close to 100% of capacity. The Hospital is not able to offer additional block times to any physician either those currently on the Hospital's medical staff or those seeking to join the Hospital's medical staff. The Hospital stated adding operating room capacity on its main campus would be difficult as it is limited in its physical space. In order to construct new operating rooms and as well as additional recovery rooms the Hospital would need to relocate some of its departments offsite. The Hospital ASC will be operated as hospital outpatient department four days per week (not including weekends). The Hospital and the Hospital ASC will determine the appropriate outpatient procedures to be performed at the Hospital ASC.

The GASC was established with three classes of owner-members. The largest percentage of the GASC is to be owned by physicians. The Applicants propose that the GASC lease the facility from the Hospital and provide services to patients on an exclusive basis initially one day per week. The Applicants have indicated that initially the GASC will provide services one day per week and the Hospital will provide services on the remaining four days of the week. The Applicants anticipate that this could change as other physician members invest in the GASC. The Hospital identified two ophthalmologists that will become physician-members of the GASC. It is anticipated that the physician-members or Class A members will own 59.5% of GASC once agreements are finalized. Currently, the only other members of the GASC are GHSI, which will own a 25.5% interest in GASC and Constitution Surgery

[2] Greenwich Health Care Services, Inc. is the parent company of Greenwich Health Services, Inc. ("GHSI"). GHSI is a for-profit affiliate of the Hospital and the sole member of the GASC.

Centers, the company that will provide management services for the GASC and which will own a 15% interest in the GASC.

Once agreements are finalized concerning the ownership of the GASC, the Applicants indicate that there will be two physician members, Dr. Gladstein and Dr. Mandava, both ophthalmologists with privileges at the Hospital, utilizing the center initially one day per week. Dr. Mandava will serve as the Medical Director on the one day per week that the GASC operates the Center. During the remaining four days of the week, the Hospital ASC will operate the Center as a hospital outpatient department and the Hospital will provide Medical Directorship during the times in which it operates the Hospital ASC. The Applicants have not provided any formalized agreement between Greenwich Hospital and GASC regarding the use of the Center by the Hospital ASC and the GASC.

The utilization rate proposed for the Center will not reach 50% of capacity until after the third year of operations. For FYs 2008, 2009, and 2010, the Applicants proposed that 2,714, 2,796, and 2,880 orthopedic, ophthalmologic and other types of procedures will be performed resulting in estimated utilization rates of 45% to 48%. With the volumes presented, OHCA remains concerned that the Applicants have not fully demonstrated a need for the proposed four (4) operating rooms; however, OHCA has determined that the establishment of an ambulatory surgery center with three (3) operating rooms will address the immediate capacity concerns on the Hospital's main campus. OHCA finds that the addition of an ambulatory surgery center will improve both the accessibility and quality of the Hospital's surgical services to the residents of the proposed service area.

The Hospital's total capital expenditure for the proposal is $8,552,992. The proposal will be financed using the Hospital's equity from contributions. The Hospital ASC projects gains from operations from operating the Center four days a week of $2,148,000, $2,274,000, and $2,404,000 for Fiscal Years 2008, 2009, and 2010, respectively. The GASC projects gains from operations from operating at the Center one day a week of $453,000, $490,000, and $526,000 for Fiscal Years 2008, 2009, and 2010, respectively. Although OHCA cannot draw any conclusions, the Hospital's and GASC's financial projections and the volumes that they were based upon appear to be reasonable and achievable.

# Order

**NOW, THEREFORE,** the Office of Health Care Access ("OHCA") and Greenwich Hospital ("Hospital") and Greenwich Ambulatory Surgery Center, LLC (together referred to as "Applicants") hereby stipulate and agree to the terms of settlement with respect to the Applicants' request to establish and operate an ambulatory surgery center at 55 Holly Hill Lane, Greenwich, Connecticut at a total capital expenditure of $8,552,992 as follows:

1. The original request of Greenwich Hospital and Greenwich Ambulatory Surgery Center, LLC ("GASC") to establish and operate a multi-specialty ambulatory surgery center with four (4) operating rooms at 55 Holly Hill Lane, Greenwich, Connecticut, is hereby MODIFIED.

2. Greenwich Hospital ("Hospital') and GASC is authorized to establish and operate an ambulatory surgery center ("Center") at 55 Holly Hill Lane, Greenwich, Connecticut, and to build, outfit, and utilize three operating rooms. The Hospital and GASC are authorized to create shelled spaced for one additional operating room.

3. Should the Hospital Ambulatory Surgery Center ("Hospital ASC") and the GASC ("Applicants") propose to outfit and utilize the shelled space to create one additional operating room at the Center, the Applicants must receive authorization from OHCA and file with OHCA appropriate documentation regarding such a such proposal, including either a Certificate of Need Determination Request or a Certificate of Need Letter of Intent.

4. The Hospital is authorized to shift outpatient and/or ambulatory procedures as it deems necessary and appropriate from the Hospital to the Hospital ASC during the Hospital's operation of the Center as an Outpatient Department of the Hospital four days per week. The GASC is authorized to provide ophthalmologic procedures at the Center one day per week. The Hospital and the GASC shall provide OHCA with any and all finalized agreements regarding the operation of the Center by and between the Hospital ASC and the GASC within one week of finalizing these agreements.

5. Should the Hospital ASC or the GASC propose to change, expand, or terminate services at the Center, the Hospital and/or the GASC shall file with OHCA appropriate documentation regarding such proposal, including either a Certificate of Need Determination Request or a Certificate of Need Letter of Intent.

6. Should the Hospital or the GASC propose to change ownership of the Center, offer physicians other than Drs. Gladstein and Mandava membership in the Greenwich Ambulatory Surgery Center, LLC ("GASC"), or if the Hospital considers leasing the Center to another entity other than the GASC, the Hospital and/or the GASC shall file with OHCA appropriate documentation regarding such proposal, including either a Certificate of Need Determination Request or a Certificate of Need Letter of Intent.

7. The Hospital and the GASC shall provide OHCA with copies of any and all finalized agreements, including, but not limited to, memoranda of understanding, operating agreements[3] and licensing agreements, between all entities operating or involved in the operation of the Center within one week of finalizing the agreements or at least 60 days prior to opening the Center.

8. This authorization shall expire on January 31, 2010. If the Hospital has not initiated operations as the Hospital ASC by that date, the Hospital must seek further approval from OHCA to complete the project beyond that date. Similarly, if the GASC has not initiated operations by that date, the GASC must seek further approval from OHCA to complete the project beyond that date.

9. The Hospital shall not exceed the approved total capital expenditure of $8,552,992. In the event that the Hospital learns of potential cost increases or expects that final capital expenditure for the proposal exceeds those approved, the Hospital shall notify OHCA immediately.

10. The Hospital must provide to OHCA the date of the commencement of operations as the Hospital ASC at the Center and a copy its license from the State of Connecticut Department of Public Health within two months of the commencement date.

11. The GASC must provide to OHCA the date of its commencement of operations at the Center and a copy of its license from the State of Connecticut Department of Public Health within two months of the commencement date.

12. The Hospital shall provide OHCA with utilization reports for the Hospital ASC on a quarterly basis. The data elements and the format and submission requirements are described in Attachment 1. Each quarterly report shall include the name and telephone number of the person that OHCA may contact for data inquiries. In addition to basic data analyses, OHCA will use the submitted data to assure that residents of the Greenwich and the surrounding towns have appropriate access to the respective facility.

13. The GASC shall provide with utilization reports for the GASC on a quarterly basis. The data elements and the format and submission requirements are described in Attachment 1. Each quarterly report shall include the name and telephone number of the person that OHCA may contact for data inquiries. In addition to basic data analyses, OHCA will use the submitted data to assure that residents of the Greenwich and the surrounding towns have appropriate access to the respective facility.

[3] Other than the operating agreement to be specifically filed in compliance with Condition #4.

Should either the Hospital or the GASC or both the Hospital and GASC fail to comply with any of the aforementioned conditions; OHCA reserves the right to take additional action as authorized by law.

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

***Signed by Commissioner Vogel on January 31, 2008***

_____ _____

Date Cristine A. Vogel
Commissioner

CAV

# Attachment 1

Greenwich Hospital shall submit patient-specific data as listed and defined below for those patients that receive service, care, diagnosis, or treatment at its ambulatory surgery center facility located at 55 Holly Hill Lane, Greenwich, Connecticut.

This information may be extracted from either the medical abstract or billing records or both and submitted to the Office of Health Care Access (OHCA) in accordance with this Attachment.

I. The data are to be submitted in **comma delimited files (*.csv)** or **Excel file (*.xls)** on a computer disk or electronically.

II. Column headers to be used are listed below in parentheses after the name of each data element.

III. Data formats to be followed are listed for each data element.

IV. The disk or file should be clearly marked with the applicant's/facility's name, file name, docket number and its contents.

V. Accompanying the data submission, the applicant/facility must submit a full written description of the data submitted and its record layout.

VI. All required quarterly data submissions shall be filed with OHCA before the end of the calendar quarter following the calendar quarter in which the encounter was recorded. The data set shall contain the data records for each individual encounter from that facility during the preceding calendar quarter. For example, the data set to be filed on or before June 30 of each year shall contain the data records for each individual encounter at that facility from January 1 through March 31. If a facility commences operations during a calendar quarter rather than on day one of the calendar quarter, the first quarterly filing is due upon completion of a full quarter of data and will contain all data for the initial partial quarter of operation and the first full quarter of operation.

VII. Each data set, including the initial data set, submitted to OHCA shall include the name and telephone number of the person that OHCA may contact for data inquiries.

VIII. All data collected by OHCA will be subject to the laws and regulations of the State of Connecticut and the Office of Health Care Access regarding its collection, use, and confidentiality.

# Outpatient Facility Encounter Data Layout
# (For Institutions)

| **DATA RECORD TYPE 1** | | | | | |
|---|---|---|---|---|---|
| **#** | **Description** | **Field Name** | **Data Type** | **Start** | **Stop** |
| 1 | Record Type Indicator: **01** | recid | Num(2) | 1 | 2 |
| 2 | Facility ID - CMS assigned National Provider Identifier (effective May 23, 2005) or OHCA assigned SID # or the last four digits of the Medicare Provider Number for the unit from which the patient was discharged for the encounter being recorded. | facid | Char(10) | 3 | 12 |
| 3 | Fiscal Year – Hospital fiscal year runs from October 1 of a calendar year to September 30 of the following calendar year and is the year of discharge. | fy | Char(4) | 13 | 16 |
| 4 | Quarter – The quarter of discharge.<br>January 1 – March 31 - 2<br>April 1 – June 30 - 3<br>July 1 - September 30 - 4<br>October 1 – December 31 - 1 | quart | Char(1) | 17 | 17 |
| 5 | Medical Record Number – unique patient identification number assigned to each patient for whom services are provided by a facility that distinguishes by itself the encounter of an individual patient from the encounter of all other patients for that facility. **Format: string (20, zero filled to left if fewer that 20 characters)** | mrn | Char(20) | 18 | 37 |
| 6 | Patient Control Number – unique number assigned by the facility to each patient's individual encounter that distinguishes the medical and billing records of the encounter. **Format: string (20, zero filled to left if fewer that 20 characters)** | patcont | Char(20) | 38 | 57 |
| 7 | Social Security Number – patient's SSN | ssn | Char(9) | 58 | 66 |
| | **Format: string (9, hyphens are implied). Blank if unknown** | | | | |
| 8 | Date of birth – the month, day, and year of birth of the patient whose encounter is being recorded.<br>**Format: date (8, yyyy-mm-dd)** | dob | Date | 67 | 74 |
| 9 | Sex – patient's sex, to be numerically coded as follows:<br>1. Male = 1<br>2. Female = 2<br>3. Not determined = 3 | sex | Char(1) | 75 | 75 |

| | | | | | |
|---|---|---|---|---|---|
| 10 | Race – patient-identified designation of a category from the following list, and coded as follows:<br>A. White = 1 | race | Char(1) | 76 | 76 |
| | B. Black/African American = 2<br>C. American Indian/Alaska Native = 3<br>D. Native Hawaiian/Other Pacific Island = 4<br>(e.g., Native Hawaiian, Guamanian or Chamorro, Samoan, Other Pacific Islander.)<br>E. Asian (e.g., Asian Indian, Chinese, Filipino, = 5<br>Japanese, Korean, Vietnamese, other Asian)<br>F. Two or more races = 6<br>G. Some other race = 7<br>H. Unknown = 8 | | | | |
| 11 | Ethnicity – patient-identified ethnic origin from categories listed and coded as follows:<br>A. Hispanic/Latino = 1<br>(i.e., Mexican, Puerto Rican, Cuban or other Hispanic or Latino)<br>B. Non-Hispanic/Latino = 2 | pat_eth | Char(1) | 77 | 77 |
| 12 | Patient's State – patient indicated state of primary residence. | patstate | Char(2) | 78 | 79 |
| 13 | Town – patient indicated town of primary residence. | twn_cty | Char(3) | 80 | 82 |
| 14 | Zip Code - zip code of the patient's primary residence | patzip | Char(5) | 83 | 87 |
| 15 | Relationship to Insured1 – means the patient's relationship to the identified insured or sponsor. The categories of which are defined below and will be kept up-to-date to reflect current National Uniform Billing Committee (NUBC) guidelines:<br>(A) Patient is insured/Self = 01<br>(B) Spouse = 02<br>(C) Natural child/Insured financial responsibility = 03<br>(D) Natural child/Insured does not have financial responsibility = 04<br>(E) Step child = 05<br>(F) Foster child = 06<br>(G) Ward of the court = 07<br>(H) Employee = 08<br>(I) Unknown = 09<br>(J) Handicapped dependent = 10<br>(K) Organ donor = 11<br>(L) Cadaver donor = 12<br>(M) Grandchild = 13<br>(N) Niece/Nephew = 14<br>(O) Injured plaintiff = 15<br>(P) Sponsored dependent = 16<br>(Q) Minor dependent of a minor dependent = 17<br>(R) Parent = 18<br>(S) Grandparent = 19<br>(T) Life partner = 20 | r_insure1 | Char(3) | 88 | 90 |

| | | | | | |
|---|---|---|---|---|---|
| 16 | Employment status (e_stat) – means the patient's employment status. The categories of which are defined below and will be kept up-to-date to reflect current National Uniform Billing Committee (NUBC) guidelines:<br>(A) Employed full time = 1<br>(B) Employed part time = 2<br>(C) Not employed = 3<br>(D) Self employed = 4<br>(E) Retired = 5<br>(F) On active military duty = 6<br>(G) Unknown = 9 | e_stat | Char(1) | 91 | 91 |
| 17 | Insured1's employer – means the name of the insured's employer. Blank if unknown or not applicable. | employ1 | Char(50) | 92 | 141 |
| 18 | Insured1's state of residence – means the insured's state of primary residence. Blank if unknown or not applicable. | i1_state | Char (2) | 142 | 143 |
| 19 | Insured2's employer – means the name of the insured's employer. Blank if unknown or not applicable | employ2 | Char (50) | 144 | 193 |
| 20 | Insured2's state of residence – means the insured's state of primary residence. Blank if unknown or not applicable. | i2_state | Char (2) | 194 | 195 |
| 21 | Insured3's employer – means the name of the insured's employer. Blank if unknown or not applicable. | employ3 | Char (50) | 196 | 245 |
| 22 | Insured3's state of residence – means the insured's state of primary residence. Blank if unknown or not applicable. | i3_state | Char (2) | 246 | 247 |
| 23 | Payment sources (Primary (ppayer), Secondary (spayer) and Tertiary (tpayer)) - the major payment sources that were expected at the time the dataset was completed, from the categories listed below:<br>Self pay = A<br>Worker's Compensation = B<br>Medicare = C<br>Medicaid = D<br>Commercial Insurance Company = E<br>Medicare Managed Care = F<br>Medicaid Managed Care = G<br>Commercial Insurance Managed Care = H<br>CHAMPUS or TRICARE = I<br>Other Government Payment = J<br>Title V = Q<br>No Charge or Free Care = R<br>Other = M | ppayer | Char(1) | 248 | 248 |
| 24 | As defined in (19). **Blank if not applicable**. | spayer | Char(1) | 249 | 249 |
| 25 | As defined in (19). **Blank if not applicable.** | tpayer | Char(1) | 250 | 250 |

| | | | | | |
|---|---|---|---|---|---|
| 26 | Payer Identification (payer1, payer2, payer3) – the insured's payer (or National Plan ID) that identifies the payer organization from which the facility expects, at the time of the encounter, some payment for the bill. Up to three payer organizations shall be reported in the order of their expected contributions to the payment of the facility's bill. **Format: string (9, zero filled to left if fewer than 9 characters)** | payer1 | Char(9) | 251 | 259 |
| 27 | As defined in (22). Blank if not applicable. | payer2 | Char(9) | 260 | 268 |
| 28 | As defined in (22). Blank if not applicable. | payer3 | Char(9) | 269 | 277 |
| 29 | Encounter type – indicates the priority of the encounter.<br>Emergent = 1<br>Urgent = 2<br>Elective = 3 | etype | Char(1) | 278 | 278 |
| 30 | Operating Physician – CT Provider ID or NPI identifying the provider who performed the service/treatment/procedure | ophysid | Char(10) | 279 | 288 |
| 31 | Attending Physician – CT Provider ID or NPI of the physician primarily responsible for the patient for this encounter. | pphysdoc id | Char(10) | 289 | 298 |
| 32 | Charges – Total charges for this encounter. **(Round the actual value on bill to the nearest whole dollar amount, zero filled and right justified)** | chrg_tot | Num(8) | 299 | 306 |

| | | | | | |
|---|---|---|---|---|---|
| 33 | Disposition – the circumstances of the patient's discharge. The categories of which are defined below and will be kept up-to-date to reflect current National Uniform Billing Committee (NUBC) guidelines:<br>Discharged to home or self care, (routine discharge) 01<br>Discharged or transferred to another short term general hospital for inpatient care 02<br>Discharged or transferred to a skilled nursing facility (SNF) 03<br>Discharged or transferred to an intermediate care facility (ICF) 04<br>Transferred to another type of institution for inpatient care 05<br>Discharged or transferred to a home under care of an organized home health service organization 06<br>Left or discontinued care against medical advice 07<br>Discharged or transferred to home under the care of a home IV Provider 08<br>Admitted as an inpatient to this hospital 09<br>Expired 20<br>Expired at home 40<br>Expired in a medical facility (e.g. hospital, SNF, ICF or free- standing hospice) 41<br>Expired – place unknown 42<br>Hospice – home 50<br>Hospice – medical facility 51<br>Discharged or transferred to another rehabilitation facility including rehabilitation distinct part units of a hospital 62<br>Discharged or transferred to Medicare certified long term care hospital (LTCH) 63<br>Discharged or transferred to a nursing facility certified under Medicaid but not certified under Medicare 64<br>Discharged or transferred to a psychiatric hospital or psychiatric distinct part unit of a hospital 65 | pstat | Char(2) | 307 | 308 |
| 34 | Principal Diagnosis – the ICD-9-CM code for the condition which is established after the study to be chiefly responsible for the encounter being recorded.<br>**Format: String (5, do not include decimal place -- decimal place is implied)** | dx1 | Char(5) | 309 | 313 |
| 35 | Secondary Diagnoses (dx2 through dx10) – the ICD-9-CM codes for the conditions, exclusive to the principal diagnosis, which exist at the time the patient was treated or which developed subsequently to the treatment and which affect the patient's treatment for the encounter being recorded. Diagnoses which are associated with an earlier encounter and which have no bearing on the current encounter shall not be recorded as secondary diagnoses.<br>**Format: String (5, do not include decimal place -- decimal place is implied)** | dx2 | Char(5) | 314 | 318 |
| 36 | As defined in (31). | dx3 | Char(5) | 319 | 323 |

| | | | | | |
|---|---|---|---|---|---|
| 37 | As defined in (31). | dx4 | Char(5) | 324 | 328 |
| 38 | As defined in (31). | dx5 | Char(5) | 329 | 333 |
| 39 | As defined in (31). | dx6 | Char(5) | 334 | 338 |
| 40 | As defined in (31). | dx7 | Char(5) | 339 | 343 |
| 41 | As defined in (31). | dx8 | Char(5) | 344 | 348 |
| 42 | As defined in (31). | dx9 | Char(5) | 349 | 353 |
| 43 | As defined in (31). | dx10 | Char(5) | 354 | 358 |
| 44 | E-code (ecode1 to ecode3) – The ICD-9-CM codes for external cause of injury, poisoning or adverse effect. **Format: string (5, do not include decimal place -- decimal place is implied)** | ecode1 | Char(5) | 359 | 363 |
| 45 | As defined in (40). | ecode2 | Char(5) | 364 | 368 |
| 46 | As defined in (40). | ecode3 | Char(5) | 369 | 373 |
| 47 | Principal Procedure – the ICD-9-CM code for the procedure most closely related to the principal diagnosis that is performed for the definitive treatment of the patient. Blank if not applicable or not coded. **Format: String (4, do not include decimal place -- decimal place is implied)** | px1 | Char(4) | 374 | 377 |
| 48 | Secondary Procedure (px2 through px10) – the ICD-9-CM codes for other procedures. Blank if not applicable or not coded. **Format: String (4, do not include decimal place -- decimal place is implied)** | px2 | Char(4) | 378 | 382 |
| 49 | As defined in (44). | px3 | Char(4) | 383 | 386 |
| 50 | As defined in (44). | px4 | Char(4) | 387 | 390 |
| 51 | As defined in (44). | px5 | Char(4) | 391 | 393 |
| 52 | As defined in (44). | px6 | Char(4) | 394 | 397 |
| 53 | As defined in (44). | px7 | Char(4) | 398 | 401 |
| 54 | As defined in (44). | px8 | Char(4) | 402 | 405 |
| 55 | As defined in (44). | px9 | Char(4) | 406 | 409 |
| 56 | As defined in (44). | px10 | Char(4) | 410 | 413 |
| 57 | Referring Physician - State license number or NPI of the physician that referred the patient to the service/treatment/procedure rendered. | rphysid | Char(10) | 414 | 423 |

| **DATA RECORD TYPE 2*** | | | | | |
|---|---|---|---|---|---|
| **#** | **Description** | **Field Name** | **Data Type** | **Start** | **Stop** |
| 1 | Record Type Indicator: **02** | recid | Num(2) | 1 | 2 |
| 2 | Facility ID - CMS assigned National Provider Identifier (effective May 23, 2005) or OHCA assigned SID # or the last four digits of the Medicare Provider Number for the unit from which the patient was discharged for the encounter being recorded. | facid | Char(10) | 3 | 12 |
| 3 | Medical Record Number – unique patient identification number assigned to each patient for whom services are provided by a facility that distinguishes by itself the encounter of an individual patient from the encounter of all other patients for that facility. **Format: string (20, zero filled to left if fewer that 20 characters)** | mrn | Char(20) | 13 | 32 |
| 4 | Patient Control Number – unique number assigned by the facility to each patient's individual encounter that distinguishes the medical and billing records of the encounter. **Format: string (20, zero filled to left if fewer that 20 characters)** | patcont | Char(20) | 33 | 52 |
| 5 | Social Security Number – patient's SSN. **Format: string (9, hyphens are implied)** | ssn | Char(9) | 53 | 61 |
| 6 | Revenue Code - A UB-92 code that identifies a specific accommodation, ancillary service or billing calculation | rev | Char(4) | 62 | 65 |
| 7 | HCPCS Code – A uniform code used to report procedures, services and supplies for reimbursement. **Blank if not applicable.** | hcpc | Char(5) | 66 | 70 |
| 8 | First Modifier Code – means by which a physician indicates that a service or procedure performed has been altered by some specific circumstance but not changed in definition or code. **Blank if not applicable.** | mod1 | Char(2) | 71 | 72 |
| 9 | Second Modifier Code means by which a physician indicates that a service or procedure performed has been altered by some specific circumstance but not changed in definition or code. **Blank if not applicable.** | mod2 | Char(2) | 73 | 74 |
| 10 | Third Modifier Code – means by which a physician indicates that a service or procedure performed has been altered by some specific circumstance but not changed in definition or code. **Blank if not applicable.** | mod3 | Char(2) | 75 | 76 |
| 11 | Fourth Modifier Code means by which a physician indicates that a service or procedure performed has been altered by some specific circumstance but not changed in definition or code. **Blank if not applicable.** | mod4 | Char(2) | 77 | 78 |
| 12 | Units of Service –number of days for multiple days or units of supply | units | Num (4) | 79 | 82 |

| | | | | | |
|---|---|---|---|---|---|
| 13 | Charges – charge for the listed service.<br>**Round the actual value contained on the discharge's bill to the nearest whole dollar amount, zero filled and right justified)** | chrg | Num (6) | 83 | 88 |
| 14 | Service Date – The month, day, and year for each procedure, service or supply.<br>**Format: date (8, yyyy-mm-dd)** | servdate | Date | 89 | 96 |

Please submit Data Record Type 1 and Record type 2 in two separate files.

*You will need multiple rows of Data Record Type 2 to report all HCPCS/CPT and revenue codes recorded for an encounter; however there should be only unique occurrences of combinations of revenue and HCPCS codes and of revenue codes (if no HCPCS code is assigned) for an encounter.

Provide all new categories of a data element indicated by the external code sources specified in the National Electronic Data Interchange Transaction Set Implementation Guide Section C.