

Office of Health Care Access Certificate of Need Application

Final Decision

Applicant: Charlotte Hungerford Hospital

Docket Number: 09-31357-WVR

Project Title: Request to Waive CON Requirements for the Replacement of an Existing 32-Slice CT Scanner with a 64-Slice CT Scanner in Torrington

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

Filing Date: April 17, 2009

Decision Date: April 30, 2009

Staff Assigned: Jack A. Huber

Project Description: Charlotte Hungerford Hospital requests a waiver of Certificate of Need requirements for replacement equipment in order to replace its existing 32-slice CT scanner with a new 64-slice CT scanner, at no associated capital expenditure.

Nature of Proceedings: On April 17, 2009, the Office of Health Care Access (“OHCA”) received the completed waiver of Certificate of Need (“CON”) request for replacement equipment from Charlotte Hungerford Hospital (“Hospital”). The Hospital proposes to replace its existing 32-slice CT scanner with a new 64-slice CT scanner in Torrington, Connecticut, at no associated capital expenditure. 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. Charlotte Hungerford Hospital ("Hospital") is an acute care general hospital located at 540 Litchfield Street in Torrington, Connecticut. The Hospital's computed tomography ("CT") service operates with one CT scanner. *(April 17, 2009, Letter Requesting Waiver of CON Requirements for Replacement Equipment)*
2. On February 28, 2006, under Docket Number: 05-30657-WVR, the Office of Health Care Access ("OHCA") issued a Certificate of Need ("CON") to the Hospital to replace its existing General Electric Hispeed Advantage CT scanner with a Toshiba Aquilon 32-slice CT scanner, at a total capital expenditure of \$1,340,000, pursuant to Section 19a-639c of the Connecticut General Statutes ("C.G.S."). *(February 28, 2005, OHCA Final Decision, Charlotte Hungerford Hospital, Docket Number: 05-30657-WVR)*
3. On March 2, 2007, under Docket Number 07-30657-MDF, OHCA granted a modification of this CON authorization that extended the CON expiration date to August 1, 2007. *(March 2, 2007, Modification of a Previously Authorized CON, Charlotte Hungerford Hospital, Docket Number: 07-30657-MDF)*
4. On July 3, 2007, under Docket Number 07-30657-MDF2, OHCA granted a modification of this CON authorization that extended the CON expiration date to October 19, 2007. *(July 3, 2007, Modification of a Previously Authorized CON, Charlotte Hungerford Hospital, Docket Number: 07-30657-MDF2)*
5. The Hospital is requesting a waiver of CON requirements for replacement equipment pursuant to Section 19a-639c, C.G.S. The Hospital seeks to replace its existing Toshiba Aquilon 32-slice CT scanner due to numerous performance issues it has experienced since the installation of the scanner 18 months ago. *(April 17, 2009, Letter Requesting Waiver of CON Requirements for Replacement Equipment)*
6. The Hospital plans to acquire and install a Toshiba 64-slice CT scanner as its replacement imaging equipment to be located at the Hospital. *(April 17, 2009, Letter Requesting Waiver of CON Requirements for Replacement Equipment)*
7. The Hospital also seeks to use a mobile Toshiba CT scanner during the deinstallation of the existing CT scanner and the installation of the proposed CT scanner. *(April 17, 2009, Letter Requesting Waiver of CON Requirements for Replacement Equipment)*
8. The Hospital has incurred 112 calls for service with the existing CT scanner. The on-site repair time by the manufacturer has totaled over 800 hours and equates to approximately 34 days of downtime. *(April 17, 2009, Letter Requesting Waiver of CON Requirements for Replacement Equipment)*
9. The Hospital's emergency service, inpatient service and outpatient service have had difficulties working around the performance issues of the current CT scanner. *(April 17, 2009, Letter Requesting Waiver of CON Requirements for Replacement Equipment)*

10. The Hospital and the manufacturer of the current CT scanner have reached agreement with respect to the following:
 - Removal of the existing CT scanner and installation of a new replacement Toshiba 64-slice CT scanner.
 - Use of a mobile Toshiba CT scanner during the deinstallation of the existing CT scanner and the installation of the proposed CT scanner.
(April 17, 2009, Letter Requesting Waiver of CON Requirements for Replacement Equipment)
11. The Hospital will incur no capital cost for either the replacement 64-slice CT scanner or the use of the interim mobile CT scanner. *(April 29, 2009, Additional Information from the Hospital Regarding its Request for a Waiver of CON Requirements for Replacement Equipment)*
12. The costs for each component of the proposal will be born by the equipment manufacturer. *(April 17, 2009, Letter Requesting Waiver of CON Requirements for Replacement Equipment)*
13. The total capital expenditure for the replacement equipment proposal is below the \$3,000,000 threshold for determining eligibility for a waiver of CON requirements for replacement equipment pursuant to Section 19a-639c, C.G.S. *(April 17, 2009, Letter Requesting Waiver of CON Requirements for Replacement Equipment)*

Rationale

Charlotte Hungerford 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.”). The Hospital is seeking to replace its existing Toshiba Aquilon 32-slice CT scanner with a new Toshiba 64-slice CT scanner. The Hospital also seeks the use of a mobile Toshiba CT scanner during the deinstallation of the existing CT scanner and the installation of the proposed CT scanner

The Hospital is requesting to replace the existing equipment based on numerous performance issues the Hospital has experienced since the installation of the CT scanner 18 months ago. The Hospital’s emergency service, inpatient service and outpatient service have had difficulties working around the performance issues of the current CT scanner. The Hospital has incurred 112 calls for service with the existing scanner. The on-site repair time by the manufacturer has totaled over 800 hours and equates to approximately 34 days of downtime. The Hospital would utilize a temporary mobile CT scanner during the removal of the current scanner and the installation of the new scanner. There is no equipment replacement expenditure or cost associated with the proposal. The costs for equipment replacement and use of the interim mobile CT scanner will be born by the equipment manufacturer.

The equipment replacement expenditure is below the \$3,000,000 threshold for determining eligibility for a waiver of CON requirements for replacement equipment pursuant to Section 19a-639c, C.G.S.

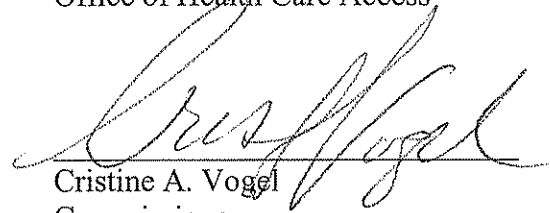
Order

Based on the foregoing Findings and Rationale, the Office of Health Care Access (“OHCA”) has determined that Charlotte Hungerford Hospital’s request for a waiver of Certificate of Need (“CON”) requirements for replacement equipment in order to replace its existing 32-slice CT scanner at 540 Litchfield Street in Torrington, at no replacement equipment expenditure, meets the requirements for waiver of the CON process pursuant to Section 19a-639c, C.G.S., and is hereby **approved**, subject to the following conditions.

1. This authorization shall expire on May 1, 2010. Should the Hospital’s replacement equipment project not be completed by that date, the Hospital must seek further approval from OHCA to complete the project beyond that date.
2. This authorization allows the Hospital the temporary use of a mobile CT scanner during the deinstallation of the existing CT scanner and the installation of the replacement CT scanner.
3. The Hospital may only operate one CT scanner at all times; therefore, the temporary mobile CT scanner may only be operated during deinstallation of the existing CT scanner and the installation of the replacement CT scanner. The contractual arrangement for the temporary mobile CT scanner must be terminated effective the date the newly authorized CT scanner becomes fully operational.
4. This authorization requires the removal of the Hospital’s existing 32-slice CT scanner for certain disposition, such as sale or salvage, outside of and unrelated to the Hospital’s various service provider locations. Furthermore, the Hospital shall provide evidence to OHCA of the disposition of the existing 32-slice CT scanner to be replaced by no later than six months after the replacement 64-slice CT scanner has become operational.
5. With respect to the acquisition of the new CT scanner, the Hospital shall notify OHCA regarding the following information in writing prior to the May 1, 2010, CON expiration date:
 - a) The name of the CT scanner manufacturer;
 - b) The model name and description of the CT scanner; and
 - c) The initial date of the operation of the CT scanner.
6. Should the Hospital propose any change in CT scanning services, the Hospital shall file with OHCA a Certificate of Need Determination Request regarding the proposed service change.

Should the Hospital 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



Cristine A. Vogel
Commissioner

4-30-09
Date

CAV:jah