

M. JODI RELL  
GOVERNOR

**STATE OF CONNECTICUT**  
OFFICE OF HEALTH CARE ACCESS

CRISTINE A. VOGEL  
COMMISSIONER

August 25, 2009

**IN THE MATTER OF:**

A Request for Waiver of Certificate of Need Requirements for Replacement Equipment filed pursuant to Section 19a-639c, C.G.S., as amended by P.A. 09-232, Section 96 by

**Advanced Radiology Consultants, LLC**

Notice of Final Decision  
Office of Health Care Access  
Docket Number: 09-31434-WVR

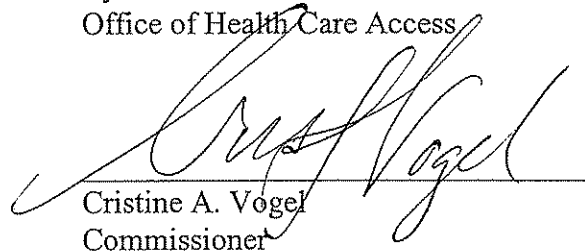
**Request to Waive CON Requirements for the Replacement of an Existing 0.3 Tesla-Strength MRI Scanner with a New 1.5 Tesla-Strength MRI Scanner in Orange**

To: Alan D. Kaye, M.D.  
President  
Advanced Radiology Consultants, LLC  
56 Quarry Road  
Trumbull, CT 06611

Dear Dr Kaye:

This letter will serve as notice of the Final Decision of the Office of Health Care Access in the above matter as provided by Section 19a-639c, C.G.S., as amended by P.A. 09-232, Section 96. On August 25, 2009, the Final Decision was rendered as the finding and order of the Office of Health Care Access. A copy of the Final Decision is attached hereto for your information.

By Order of the  
Office of Health Care Access



Cristine A. Vogel  
Commissioner

CAV: jah



## Office of Health Care Access Certificate of Need Application

### Final Decision

**Applicant:** Advanced Radiology Consultants, LLC

**Docket Number:** 09-31434-WVR

**Project Title:** Request to Waive CON Requirements for the Replacement of an Existing Open 0.3 Tesla-Strength MRI Scanner with a New 1.5 Tesla-Strength MRI Scanner in Orange

**Statutory Reference:** Section 19a-639c of the Connecticut General Statutes, as amended by P.A. 09-232, Section 96

**Filing Date:** August 12, 2009

**Decision Date:** August 25, 2009

**Staff:** Jack A. Huber

**Project Description:** Advanced Radiology Associates, LLC, requests a waiver of Certificate of Need requirements for replacement equipment for the purpose of replacing its existing 0.3 tesla-strength open MRI scanner with a new 1.5 tesla-strength MRI scanner at its office, located at 320 Boston Post Road in Orange, Connecticut. The total capital expenditure for the replacement equipment project is \$2,133,000.

**Nature of Proceedings:** On August 10, 2009, the Office of Health Care Access ("OHCA") received the completed waiver of Certificate of Need ("CON") request for replacement equipment from Advanced Radiology Associates, LLC, ("Applicant"). The Applicant proposes to replace its existing 0.3 tesla-strength open MRI scanner with a new 1.5 tesla-strength MRI scanner at its office, located at 320 Boston Post Road in Orange, Connecticut. The total capital expenditure for the replacement equipment project is \$2,133,000.

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 of the Connecticut General Statutes ("C.G.S."), amended by Public Act: 09-232, Section 96. 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. On August 6, 2009, Advanced Radiology Associates, LLC, (“Applicant”), received a Certificate of Need (“CON”) determination from the Office of Health Care Access (“OHCA”) under Report Number: 09-31385-DTR. The determination report indicated that the Applicant was not required to obtain a CON for the purchase of its existing 0.3 tesla-strength open MRI scanner, because the Applicant purchased this equipment prior to the implementation of Public Act: 05-93 and the equipment was in operation prior to July 1, 2006. *(August 12, 2009, CON Waiver Form 2040, page 1 and Exhibit A)*
2. Pursuant to Section 19a-639c, of the Connecticut General Statutes (“C.G.S.”) as amended by Public Act: 09-232, Section 96, a proposal may be eligible for a waiver of replacement equipment from the CON process when a provider has previously obtained a determination that a CON was not required for the original acquisition of the equipment and the expenditure or value of the replacement equipment is less than \$3 million. *(Section 19a-639c, C.G.S., as amended by Public Act: 09-232, Section 96)*
3. The total capital expenditure for the replacement equipment proposal is \$2,133,000 and consists of \$2,018,000 for the purchase of the replacement 1.5 tesla-strength MRI scanner and \$115,000 for renovation work to install the new MRI scanner. *(August 12, 2009, CON Waiver Form 2040, page 4)*
4. The replacement equipment expenditure is below the \$3 million threshold used to determine whether a request is eligible to receive a waiver of CON requirements for replacement equipment pursuant to Section 19a-639c, C.G.S., as amended by Public Act: 09-232, Section 96. *(Section 19a-639c, C.G.S., as amended by Public Act: 09-232, Section 96)*

## Rationale

Advanced Radiology Associates, LLC, (“Applicant”) 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.”), as amended by Public Act: 09-232, Section 96. The Applicant is seeking to replace its existing 0.3 tesla-strength MRI scanner with a new 1.5 tesla-strength MRI scanner at its office, located at 320 Boston Post Road in Orange, Connecticut.

On August 6, 2009, the Applicant received a CON determination from the Office of Health Care Access under Report Number: 09-31385-DTR that indicated the Applicant was not required to obtain a CON for the purchase of its existing 0.3 tesla-strength open MRI scanner, because the Applicant purchased this equipment prior to the implementation of Public Act 05-93 and the equipment was in operation prior to July 1, 2006.

The replacement equipment expenditure for the proposed 1.5 tesla-strength MRI scanner is \$2,018,000, which is below the \$3 million threshold for determining eligibility for a waiver of CON requirements for replacement equipment pursuant to Section 19a-639c, C.G.S., as amended by Public Act: 09-232, Section 96.

## Order

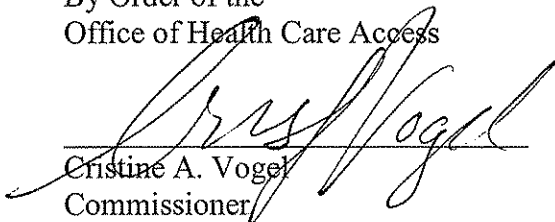
Based on the foregoing Findings and Rationale, the Office of Health Care Access ("OHCA") has determined that the request of Advanced Radiology Associates, LLC ("Applicant") for a waiver of Certificate of Need ("CON") requirements for replacement equipment in order to replace its existing 0.3 tesla-strength open MRI scanner with a new 1.5 tesla-strength MRI scanner at its office, located at 320 Boston Post Road in Orange, Connecticut, at a replacement equipment expenditure of \$2,018,000, meets the requirements for a waiver of the CON process pursuant to Section 19a-639c of the Connecticut General Statutes, as amended by Public Act: 09-232, Section 96, and is hereby **approved**, subject to the following conditions.

1. The Applicant shall not exceed \$3 million in the replacement equipment expenditure or value for the proposed replacement equipment. In the event that the Applicant learns of potential cost increases or expects the replacement equipment expenditure or value will exceed \$3 million, the Applicant shall notify OHCA in writing.
2. The Applicant shall notify OHCA regarding the initial date of the operation of the new 1.50 tesla-strength MRI scanner.
3. This authorization requires the removal of the Applicant's existing 0.3 tesla-strength open MRI scanner for certain disposition, such as sale or salvage, outside of and unrelated to the Applicant's Connecticut service locations by no later than six months after the replacement 1.5 tesla-strength MRI scanner has become operational.

Should the Applicant 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.

8-25-09  
Date

By Order of the  
Office of Health Care Access

  
Cristine A. Vogel  
Commissioner

CAV:jah