

STATE OF CONNECTICUT
DEPARTMENT OF PUBLIC HEALTH
Office of Health Care Access

June 11, 2010

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

Notice of Final Decision
Office of Health Care Access
Docket Number: 10-31626-WVR

Manchester Memorial Hospital


Request to Waive CON Requirements for the Replacement of an Existing Single-Slice CT Scanner with a 16-Slice CT Scanner in Manchester, CT

To: Gina Kline
Director, Strategic Planning & Market Research
Manchester Memorial Hospital
71 Haynes Street
Manchester, CT 06040

Dear Ms. Kline:

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 June 11, 2010, 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 Division of
Office of Health Care Access
Department of Public Health


Cristine A. Vogel
Deputy Commissioner

CAV: jah



**Department of Public Health
Office of Health Care Access
Certificate of Need Application**

Final Decision

Applicant: Manchester Memorial Hospital

Docket Number: 10-31626-WVR

Project Title: Request to Waive CON Requirements for the Replacement of an Existing Single-Slice CT Scanner with a 16-Slice CT Scanner in Manchester, Connecticut

Statutory Reference: Section 19a-639c of the Connecticut General Statutes as amended by Public Act: 09-232, Section 96

Filing Date: May 21, 2010

Decision Date: June 11, 2010

Staff: Jack A. Huber

Project Description: Manchester Memorial Hospital requests a waiver of Certificate of Need requirements for replacement equipment for the purpose of replacing its existing single-slice computed tomography ("CT") scanner with a 16-slice CT scanner to be located on the Hospital's main campus, 71 Haynes Street in Manchester, Connecticut. The total capital cost associated with the replacement equipment project is \$422,850.

Nature of Proceedings: On May 21, 2010, the Office of Health Care Access ("OHCA") received the completed waiver of Certificate of Need ("CON") request for replacement equipment from Manchester Memorial Hospital ("Hospital"). The Hospital proposes to replace its single-slice computed tomography ("CT") scanner with a 16-slice CT scanner to be located on the Hospital's main campus, 71 Haynes Street in Manchester, Connecticut. The total capital cost associated with the replacement equipment project is \$422,850. 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., as 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 July 31, 2001, Manchester Memorial Hospital ("Hospital") received a Certificate of Need ("CON") determination from the Office of Health Care Access ("OHCA") under Report Number: 01-S2. The determination report indicated that the Hospital was not required to obtain CON authorization to acquire a single-slice computed tomography ("CT") scanner to be located on the Hospital's main campus, 71 Haynes Street in Manchester, Connecticut. *(May 21, 2010, CON Waiver Form 2040, page 2 and Attachment A, pages 5 and 6)*
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 cost for the replacement equipment proposal is \$422,850. The proposal's cost consists of \$399,850 for the acquisition of the replacement CT scanner and \$23,000 for other project costs. *(May 21, 2010, CON Waiver Form 2040, page 2)*
4. The replacement equipment value 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

Manchester Memorial 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.") as amended by Public Act: 09-232, Section 96. The Hospital is seeking to replace its existing single-slice computed tomography ("CT") scanner with a 16-slice CT scanner to be located on the Hospital's main campus, 71 Haynes Street in Manchester, Connecticut.

On July 31, 2001, the Hospital received a CON determination from the Office of Health Care Access under Report Number: 01-S2. The Hospital was informed that it was not required to obtain CON authorization for the acquisition of a single-slice CT scanner to be located on the Hospital's main campus, 71 Haynes Street in Manchester, Connecticut.

The replacement equipment cost for the proposed 16-slice CT scanner is \$399,850, 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 Manchester Memorial Hospital (“Hospital”) for a waiver of Certificate of Need (“CON”) requirements in order to replace its existing single-slice computed tomography (“CT”) scanner with a new CT scanner to be located on the Hospital’s main campus, 71 Haynes Street in Manchester, Connecticut, at a replacement equipment cost of \$399,850, meets the requirements for 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 condition.

1. This authorization requires the removal of the Hospital’s existing single-slice CT scanner for certain disposition, such as sale or salvage, outside of and unrelated to the Hospital’s Connecticut service locations by no later than six months after the replacement CT scanner has become operational.

Should the Hospital fail to comply with the aforementioned condition, 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 Division of
Office of Health Care Access
Department of Public Health

6-11-10
Date


Cristine A. Vogel
Deputy Commissioner

CAV:jah